Completion of Golden Quadrilateral Scheme

† *167. DR. PRABHATHAKUR:
SHRI SANTOSH BAGRODIA:

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Golden Quadrilateral Scheme for National Highways would be completed within the stipulated time;

(b) if not, the reasons for the delay;

(c) whether Government propose to award incentive to those who complete road projects within time and penalize those who delay completion thereof; and.

(d) if so, the details thereof?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) and (b) It is expected that 96% Golden Quadrilateral Project would be completed by June 2006. The delays in some contracts are due to problems associated with acquisition of land, shifting of utilities, environment & forest clearances, law and order, poor performance of contractors etc.

(c) and (d) Provision of bonus for early completion and penalty for delay in completion has been incorporated in most of the contracts taken up from the NHAI fund.

These contracts generally provide for bonus @ 1% per month subject to total upto 6% of the contract value. For delay in completion, provision for liquidated damages (normally about 0.05% of contract value per day subject to Maximum 10% of the final contract price) is made in the contracts.

Projects taken up on Build Operate and Transfer (BOT) basis have in built incentive for early completion since toll collection starts on completion of project. In delayed project besides penalty for delay, entrepreneur suffers loss of toll collection during period of delay.

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† Original notice of the question was received in Hindi.